

## 63-234 Homeless Shelter Deduction

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### 63-234.1 Homeless Shelter Deduction Definition

- A.** A standard homeless shelter deduction of \$143 a month is allowed to households in which:
1. All members are homeless; and
  2. The household incurs a shelter cost or can be reasonably anticipated during a month (not receiving free shelter throughout the month).
- B.** For households incurring shelter costs, determine if the household would receive more benefits when allowing the homeless shelter deduction instead of the SUA deduction.

Homeless households can receive the Standard Utility Allowance (SUA) deduction if eligible to the State Utility Assistance Subsidy (SUAS) instead of the Homeless Shelter Deduction. Household cannot receive the Homeless Shelter Deduction and the SUA deduction at the same time.

Continue using the Homeless Shelter Deduction if there is no change in the household allotment.

Refer to [63-236.6](#).

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### 63-234.2 Homeless Shelter Deduction Regulations

The following regulations apply to the homeless shelter deduction:

- A.** A homeless household may choose to claim actual shelter costs instead of the homeless shelter deduction when actual costs are higher and verified and when the household receives more benefits.
- B.** The homeless household must incur or reasonably expect to incur a shelter cost during a month to be eligible to the homeless shelter deduction. Allow either the homeless shelter deduction or the SUA whichever allows them to receive more

benefits. Refer to [Section 63-236.4](#).

- C. The SUA cannot be allowed when the household receives the homeless shelter deduction because the homeless shelter deduction already includes a utility cost component.
- D. Subtract the homeless shelter deduction from net income when determining eligibility and allotments for the household. Therefore, if the homeless shelter deduction is allowed, do not determine the excess shelter cost deduction. Refer to [63-254.2](#) and [63-254.3](#).
- E. Do not prorate the homeless shelter deduction even if the homeless household shares the shelter expense with an ineligible or excluded household member.

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63-234.3  
Verification of  
Homeless  
Shelter  
Deduction

- A.** Homeless households incurring, or reasonably expecting to incur, shelter costs during a month are eligible to the homeless shelter deduction **without providing verification of the shelter costs**.

Document the reasonable expectation that the household will incur the expense.

- B.** If the shelter cost is higher than the homeless shelter deduction, use the higher shelter costs when the homeless household provides verification.
- C.** Homeless households not incurring shelter costs during the month are not eligible to the homeless shelter deduction.

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63-234.4  
Homeless  
Shelter Cost  
Deduction Q&A

**QUESTION 1:**

A homeless client is a resident of a drug and alcohol treatment shelter facility. Is there a shelter deduction if the facility does not charge?

**ANSWER 1:**

No. A shelter deduction would not be allowed. If there is no charge for services and no client obligation (Section 63-234.3 above).

**QUESTION 2:**

A Non-assistance CalFresh household meets the definition of "homeless" (homeless prior to, and after the drug and alcohol treatment facility stay), should the homeless shelter deduction be used rather than the shelter deduction (i.e., no utility cost)?

**ANSWER 2:**

A temporary residence at a drug and alcohol treatment facility does not in and of itself qualify the resident as homeless. If the worker determines the client meets the definition of homeless as provided in

[Section 63-152.5](#), and the client reasonably expects to incur homeless shelter costs, then the homeless shelter deduction would be applicable rather than the shelter cost deduction. However, if the actual verified homeless shelter costs are higher than the homeless shelter deduction ([Section 63-234.3](#)), the actual cost may be used to calculate the housing deduction instead of a homeless shelter deduction.

**QUESTION 3:**

If a client is charged a monthly “fee” to participate in the rehabilitation program, yet has no income to pay the “fee”, should the client be allowed a deduction for shelter cost?

**ANSWER 3:**

Yes, it is an obligation. The client is billed for shelter costs; therefore, the expense is an allowable shelter cost deduction.

**QUESTION 4:**

Can “program fees” charged by a drug/alcohol facility be considered a shelter cost deduction? Some facilities are hesitant to identify the charge as “rent/utilities.”

**ANSWER 4:**

Whatever portion is identified as shelter cost is a deductible expense.

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